

**MIKE MCINTYRE**

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COOPERATION IN EUROPE**

**The Honorable Julius Genachowski**

**Chairman**

**Federal Communications Commission**

**445 12<sup>th</sup> Street, SW**

**Washington, DC 20554**

**Congress of the United States  
House of Representatives**

**Washington, DC 20515-3307**

WEB PAGE:  
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**July 13, 2010**

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Dear Chairman Genachowski:

Thank you for presenting to Congress the National Broadband Plan (NBP). I write today to share some concerns about the impact the NBP would have on rural areas, including the Seventh Congressional District of North Carolina.

While the NBP includes the commendable goal of providing broadband service to all Americans, by setting the universalization target at 4 Mbps, while promoting 100 Mbps for 100 million households, the plan appears to abandon our country's long-standing commitment to providing comparable telecommunication services to all Americans. Without state-of-the-art broadband, rural communities that increasingly depend on broadband to compete, collaborate, and communicate in the modern world will be significantly disadvantaged. The economic development of these rural communities is increasingly dependent on telecommunication providers ability to provide the modern services needed to meet the commerce, public safety, education, and energy requirements of the 21<sup>st</sup> economy.

As you know, comprehensive reform of telecommunications policy is needed to modernize support for broadband networks and communication services of the future. However, we must not abandon successful cost recovery mechanisms, such as intercarrier compensation and the Universal Service Fund, which have been instrumental in reaching even the most remote communities with telecommunication services, without addressing the disruption the NBP's modernization proposals would have on carriers that have invested and been successful in providing modern telecommunication services in rural areas based on these predictable support mechanisms.

In today's information economy, many jobs can be performed from anywhere – so long as the worker has access to the same kind of broadband infrastructure that is available in non-rural areas. The economic future of rural America and southeast North Carolina is at stake. Therefore, I urge you to modify the NBP's recommendations so businesses and workers can embrace rural areas and to ensure all Americans benefit from the global leadership position we can achieve with this plan. I look forward to hearing from you regarding these important issues.

Sincerely,

*Mike McIntyre*  
**Mike McIntyre**  
**Member of Congress**

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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

October 13, 2010

The Honorable Mike McIntyre  
U.S. House of Representatives  
2437 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman McIntyre:

Thank you for your letter expressing concern about the effect of the National Broadband Plan's (NBP) proposed universalization level of 4 Mbps on rural America. The NBP called for a Connect America Fund to enable all U.S. households to access a network that is capable of providing both high-quality voice-grade service and broadband that satisfies the National Broadband Availability Target. Recently, the Commission's Omnibus Broadband Initiative (OBI) staff released a technical paper addressing the Target speed, which I am enclosing for your review. The OBI paper details the reasons for the 4 Mbps level and notes the importance of periodic adjustments as the data supporting the Target continues to evolve.

The 4 Mbps speed is very aggressive and represents one of the highest levels in the world today for universalization, while the NBP's 100 Mbps number is based on a long-range goal. Few residential customers today subscribe to 100 Mbps service, and 4 Mbps currently is the median speed purchased by consumers. Only 6 percent of consumers subscribe to broadband service that is faster than 10 Mbps. Broadband service at 4 Mbps permits consumers to utilize its full benefits, including web browsing, e-mail, two-way video conferencing, and watching educational lectures online in standard definition. The Target speed also is "reasonably comparable" to the broadband service currently provided in urban areas, which is the standard mandated under Section 254 of the Communications Act for universalization. Cost is also a factor that needs to be considered – subsidizing universal 100 Mbps deployment today could cost as much as \$320 billion, which could increase the size of the fund to \$40-50 billion annually, and lead to a universal service fee, on average, of \$30 per month per American household.

Be assured that I am committed to making broadband affordable and attainable by all Americans, regardless of where they live or which service providers they use. I look forward to working with you and other Members of Congress as the Commission transforms its universal service policies to ensure that there will be no digital divide in our nation. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,



Julius Genachowski

Enclosure